



Summons

In the matter of D.B. KARRON

Internal Revenue Service (Division): Small Business/Self Employed Division

Industry/Area (name or number): Area 1

Periods: January 1, 2008 Through December 31, 2008

The Commissioner of Internal Revenue

To: D.B. KARRON

At: 348 EAST FULTON STREET, LONG BEACH, NY. 11561

You are hereby summoned and required to appear before Internal Revenue Agent HAL S. SHERRY an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

D.B. KARRON : Social Security Number XXXXXXXXXX

Personal appearance will be waived if the taxpayers signs examination report Form 4549 and mail to address listed below.

Attestation

I hereby certify that I have examined and compared this copy of the summons with the original and that it is a true and correct copy of the original.


Signature of IRS officer serving the summons

REVENUE AGENT
Title

Business address and telephone number of IRS officer before whom you are to appear:

I.R.S. 999 STEWART AVE. S#110 BETHPAGE, NY. 11714- SB/SE 1403-HAL S. SHERRY (516)576-7371

Place and time for appearance at I.R.S. 999 STEWART AVE. S#110 BETHPAGE, NY. 11714

Group 1403

on the 10TH day of FEBRUARY, 2014 at 10:00 o'clock A m.

Issued under authority of the Internal Revenue Code this 22nd day of JANURARY, 2014



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev. 12-2001)
Catalog Number 21405J


Desalyn Andrews

Signature of approving officer (if applicable)

REVENUE AGENT

GROUP MANAGER

Title

Title

Part A - to be given to person summoned



Provisions of the Internal Revenue Code

Sec. 7602. Examination of books and witnesses

(a) Authority to Summon, etc. - For the purpose of ascertaining the correctness of any return, making a return where none has been made, determining the liability of any person for any internal revenue tax or the liability at law or in equity of any transferee or fiduciary of any person in respect of any internal revenue tax, or collecting any such liability, the Secretary is authorized -

- (1) To examine any books, papers, records, or other data which may be relevant or material to such inquiry.
- (2) To summon the person liable for tax or required to perform the act, or any officer or employee of such person, or any person having possession, custody, or care of books of account containing entries relating to the business of the person liable for tax or required to perform the act, or any other person the Secretary may deem proper, to appear before the Secretary at a time and place named in the summons and to produce such books, papers, records, or other data, and to give such testimony, under oath, as may be relevant or material to such inquiry; and
- (3) To take such testimony of the person concerned, under oath, as may be relevant or material to such inquiry.

(b) Purpose may include inquiry into offense. - The purposes for which the Secretary may take any action described in paragraph (1), (2), or (3) of subsection (a) include the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws.

(c) Notice of contact of third parties. -

- (1) General Notice. - An officer or employee of the Internal Revenue Service may not contact any person other than the taxpayer with respect to the determination or collection of the tax liability of such taxpayer without providing reasonable notice in advance to the taxpayer that contacts with persons other than the taxpayer may be made.
- (2) Notice of specific contacts. - The Secretary shall periodically provide to a taxpayer a record of persons contacted during such period by the Secretary with respect to the determination or collection of the tax liability of such taxpayer. Such record shall also be provided upon request of the taxpayer.
- (3) Exceptions. - This subsection shall not apply-
 - (A) to any contact which the taxpayer has authorized,
 - (B) if the Secretary determines for good cause shown that such notice would jeopardize collection of any tax or such notice may involve reprisal against any person, or
 - (C) with respect to any pending criminal investigation.

(d) No administrative summons when there is Justice Department referral. -

- (1) Limitation of authority. - No summons may be issued under this title, and the Secretary may not begin any action under section 7604 to enforce any summons, with respect to any person if a Justice Department referral is in effect with respect to such person.
- (2) Justice Department referral in effect. - For purposes of this subsection-
 - (A) In general. - A Justice Department referral is in effect with respect to any person if-
 - (i) the Secretary has recommended to the Attorney General a grand jury investigation of, or the criminal prosecution of, such person for any offense connected with the administration or enforcement of the internal revenue laws or
 - (ii) any request is made under section 6103(h)(3)(B) for the disclosure of any return or return information (within the meaning of section 6103(b)) relating to such person.
 - (B) Termination. - A Justice Department referral shall cease to be in effect with respect to a person when-
 - (i) the Attorney General notifies the Secretary, in writing, that -
 - (I) he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws,
 - (II) he will not authorize a grand jury investigation of such person with respect to such an offense, or
 - (III) he will discontinue such a grand jury investigation.
 - (ii) a final disposition has been made of any criminal proceeding pertaining to the enforcement of the internal revenue laws which was instituted by the Attorney General against such person, or
 - (iii) the Attorney General notifies the Secretary, in writing, that he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws relating to the request described in sub paragraph (A)(ii).

- (3) Taxable years, etc., treated separately. - For purposes of this subsection, each taxable period (or, if there is no taxable period, each taxable event) and each tax imposed by a separate chapter of this title shall be treated separately.

(e) Limitation on examination on unreported income. - The Secretary shall not use financial status or economic reality examination techniques to determine the existence of unreported income of any taxpayer unless the Secretary has a reasonable indication that there is a likelihood of such unreported income.

Authority to examine books and witness is also provided under sec. 6420 (e)(2) - Gasoline used on farms: sec. 6421(g)(2) - Gasoline used for certain nonhighway purposes by local transit systems, or sold for certain exempt purposes; and sec. 6427(j)(2) - Fuels not used for taxable purposes.

Sec. 7603. Service of summons

(a) In general. - A summons issued under section 6420(e)(2), 6421(g)(2), 6427(j)(2), or 7602 shall be served by the Secretary, by an attested copy delivered in hand to the person to whom it is directed, or left at his last and usual place of abode; and the certificate of service signed by the person serving the summons shall be evidence of the facts it states on the hearing of an application for the enforcement of the summons. When the summons requires the production of books, papers, records, or other data, it shall be sufficient if such books, papers, records, or other data are described with reasonable certainty

(b) Service by mail to third-party recordkeepers. -

- (1) In general. - A summons referred to in subsection (a) for the production of books, papers, records, or other data by a third-party recordkeeper may also be served by certified or registered mail to the last known address of such recordkeeper.
- (2) Third party record keeper. - For purposes of paragraph (1), the term *third-party recordkeeper* means -
 - (A) any mutual savings bank, cooperative bank, domestic building and loan association, or other savings institution chartered and supervised as a savings and loan or similar association under Federal or State law, any bank (as defined in section 581), or any credit union (within the meaning of section 501 (c)(14)(A));
 - (B) any consumer reporting agency (as defined under section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681 a(f));
 - (C) Any person extending credit through the use of credit cards or similar devices;
 - (D) any broker (as defined in section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4));
 - (E) any attorney;
 - (F) any accountant;
 - (G) any barter exchange (as defined in section 6045(c)(3));
 - (H) any regulated investment company (as defined in section 851) and any agent of such regulated investment company when acting as an agent thereof;
 - (I) any enrolled agent; and
 - (J) any owner or developer of a computer software source code (as defined in section 7612(d)(2)). Subparagraph (J) shall apply only with respect to a summons requiring the production of the source code referred to in subparagraph (J) or the program and data described in section 7612(b)(1)(A)(ii) to which source code relates.

Sec. 7604. Enforcement of summons

(a) Jurisdiction of District Court. - If any person is summoned under the internal revenue laws to appear, to testify, or to produce books, papers, records, or other data, the United States district court for the district in which such person resides or is found shall have jurisdiction by appropriate process to compel such attendance, testimony, or production of books, papers, records, or other data.

(b) Enforcement. - Whenever any person summoned under section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602 neglects or refuses to obey such summons, or to produce books, papers, records, or other data, or to give testimony, as required, the Secretary may apply to the judge of the district court or to a United States Commissioner¹ for the district within which the person so summoned resides or is found for an attachment against him as for a contempt, it shall be the duty of the judge or commissioner¹ to hear the application, and, if satisfactory proof is made, to issue an attachment, directed to some proper officer, for the arrest of such person, and upon his being brought before him to proceed to a hearing of the case; and upon such hearing the judge or the United States Commissioner¹ shall have power to make such order as he shall deem proper, not inconsistent with the law for the punishment of contempts, to enforce obedience to the requirements of the summons and to punish such person for his default or disobedience.

¹ Or United States magistrate, pursuant to P. L. 90-578.

Sec. 7605. Time and place of examination

(a) Time and place. - The time and place of examination pursuant to the provisions of section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602 shall be such time and place as may be fixed by the Secretary and as are reasonable under the circumstances. In the case of a summons under authority of paragraph (2) of section 7602, or under the corresponding authority of section 6420(e)(2), 6421 (g)(2) or 6427(j)(2), the date fixed for appearance before the Secretary shall not be less than 10 days from the date of the summons.

Sec. 7610. Fees and costs for witnesses

(a) In general. - The secretary shall by regulations establish the rates and conditions under which payment may be made of -

- (1) fees and mileage to persons who are summoned to appear before the Secretary, and
 - (2) reimbursement for such costs that are reasonably necessary which have been directly incurred in searching for, reproducing, or transporting books, papers, records, or other data required to be produced by summons.
- (b) Exceptions. - No payment may be made under paragraph (2) of subsection (a) if -
- (1) the person with respect to whose liability the summons is issued has a proprietary interest in the books, papers, records or other data required to be produced, or
 - (2) the person summoned is the person with respect to whose liability the summons is issued or an officer, employee, agent, accountant, or attorney of such person who, at the time the summons is served, is acting as such.

(c) Summons to which section applies. - This section applies with respect to any summons authorized under section 6420(e)(2), 6421 (g)(2), 6427(j)(2), or 7602.

Sec. 7210. Failure to obey summons

Any person who, being duly summoned to appear to testify, or to appear and produce books, accounts, records, memoranda or other papers, as required under sections 6420(e)(2), 6421(g)(2), 6427(j)(2), 7602, 7603, and 7604(b), neglects to appear or to produce such books, accounts, records memoranda, or other papers, shall, upon conviction thereof, be fined not more than \$1,000, or imprisoned not more than 1 year, or both, together with costs of prosecution.

Notice to Third Party Recipient of IRS Summons

As a third-party recipient of a summons, you may be entitled to receive payment for certain costs directly incurred which are reasonably necessary to search for, reproduce, or transport records in order to comply with a summons.

This payment is made only at the rates established by the Internal Revenue Service to certain persons served with a summons to produce records or information in which the taxpayer does not have an ownership interest. The taxpayer to whose liability the summons relates and the taxpayer's officer, employee, agent, accountant, or attorney are not entitled to this payment. No payment will be made for any costs which you have charged or billed to other persons.

The rate for search costs is \$8.50 an hour or fraction of an hour and is limited to the total amount of personnel time spent in locating and retrieving documents or information requested by the summons. Specific salaries of such persons may not be included in search costs. In addition, search costs do not include salaries, fees, or similar costs for analysis of material or for managerial or legal advice, expertise, research, or time spent for any of these activities. If itemized separately, search costs may include the actual costs of extracting information stored by computer in the format in which it is normally produced, based on computer time and necessary supplies; however, personnel time for computer search may be paid for only at the Internal Revenue Service rate specified above.

The rate for reproduction costs for making copies or duplicates of summoned documents, transcripts, and other similar material is 20 cents for each page. Photographs, films, and other material are reimbursed at cost.

The rate for transportation costs is the same as the actual cost necessary to transport personnel to locate and retrieve summoned records or information, or costs incurred solely by the need to transport the summoned material to the place of examination.

In addition to payment for search, reproduction, and transportation costs, persons who appear before an Internal Revenue Service officer in response to a summons may request payment for authorized witness fees and mileage fees. You may make this request by contacting the Internal Revenue Service officer or by claiming these costs separately on the itemized bill or invoice as explained below.

Instructions for requesting payment

After the summons is served, you should keep an accurate record of personnel search time, computer costs, number of reproductions made, and transportation costs. Upon satisfactory compliance, you may submit an itemized bill or invoice to the Internal Revenue Service officer before whom you were summoned to appear, either in person or by mail to the address furnished by the Internal Revenue Service officer. Please write on the itemized bill or invoice the name of the taxpayer to whose liability the summons relates.

If you wish, Form 6863, Invoice and Authorization for Payment of Administrative Summons Expenses, may be used to request payment for search, reproduction, and transportation costs. Standard Form 1157, Claims for Witness Attendance Fees, Travel, and Miscellaneous Expenses, may be used to request payment for authorized witness fees and mileage fees. These forms are available from the Internal Revenue Service officer who issued the summons.

If you have any questions about the payment, please contact the Internal Revenue Service officer before whom you were summoned to appear.

Anyone submitting false claims for payment is subject to possible criminal prosecution.



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev. 12-2001)
Catalog Number 21405J

Name and Address of Taxpayer

DB KARRON
348 EAST FULTON STREET
LONG BEACH NY 11561

Taxpayer Identification Number

[REDACTED]

Return Form No.:

1040

Person with whom
examination
changes were
discussed.

Name and Title:

DB KARRON

1. Adjustments to Income		Period End 12/31/2008	Period End	Period End
a. Unemployment Compensation		12,555.00		
b. Wages, Salaries and Tips, etc.		22,447.00		
c. Other Income		120,000.00		
d. Itemized Deductions		(21,839.00)		
e. Exemptions		(3,500.00)		
f.				
g.				
h.				
i.				
j.				
k.				
l.				
m.				
n.				
o.				
p.				
2. Total Adjustments		129,663.00		
3. Taxable Income Per Return or as Previously Adjusted		0.00		
4. Corrected Taxable Income		129,663.00		
Tax Method		TAX RATE		
Filing Status		Single		
5. Tax		30,284.00		
6. Additional Taxes / Alternative Minimum Tax				
7. Corrected Tax Liability		30,284.00		
8. Less	a.			
Credits	b.			
	c.			
	d.			
9. Balance (Line 7 less Lines 8a through 8d)		30,284.00		
10. Plus	a.			
Other	b.			
Taxes	c.			
	d.			
11. Total Corrected Tax Liability (Line 9 plus Lines 10a through 10d)		30,284.00		
12. Total Tax Shown on Return or as Previously Adjusted		0.00		
13. Adjustments to: a.				
	b.			
	c.			
14. Deficiency-Increase in Tax or (Overassessment-Decrease in Tax) (Line 11 less Line 12 adjusted by Lines 13a through 13c)		30,284.00		
15. Adjustments to Prepayment Credits - Increase (Decrease) See Attached		1,667.00		
16. Balance Due or (Overpayment) - (Line 14 adjusted by Line 15) (Excluding interest and penalties)		28,617.00		

The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest income) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Department of the Treasury-Internal Revenue Service
Income Tax Examination ChangesName of Taxpayer
DB KARRONTaxpayer Identification Number
[REDACTED]Return Form No.:
1040

17. Penalties/ Code Sections	Period End 12/31/2008	Period End	Period End
a. Delq-IRC 6651 (a) (2)	7,154.25		
b. Delq-IRC 6651 (a) (1)	6,438.83		
c. Accuracy-IRC 6662	5,723.40		
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
18. Total Penalties	19,316.48		
Underpayment attributable to negligence: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to fraud: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to Tax Motivated Transactions (TMT). The interest will accrue and be assessed at 120% of the underpayment rate in accordance with IRC §6621(c)	0.00		
19. Summary of Taxes, Penalties and Interest:			
a. Balance due or (Overpayment) Taxes - (Line 16, Page 1)	28,617.00		
b. Penalties (Line 18) - computed to 01/22/2014	19,316.48		
c. Interest (IRC § 6601) - computed to 02/21/2014	7,449.06		
d. TMT Interest - computed to 02/21/2014 (on TMT underpayment)	0.00		
e. Amount due or (refund) - (sum of Lines a, b, c and d)	55,382.54		

Other Information:

OTHER INCOME REPRESENTS MISAPPROPRIATED FUNDS OF RENT & OTHER COSTS BASED COURT STATEMENTS MADE AT SENTENCING. TAXPAYER HAS BEEN MAKING RESTITUTION PAYMENTS ON THIS AMOUNT.

THE OTHER ADJUSTMENTS REPRESENT DELINQUENT RETURN PROCEDURES THAT WERE FOLLOWED.

Examiner's Signature:	Employee ID:	Office:	Date:
HAL S. SHERRY	11-03033	BETHPAGE, NY. 11714	01/22/2014

Consent to Assessment and Collection- I do not wish to exercise my appeal rights with the Internal Revenue Service or to contest in the United States Tax Court the findings in this report. Therefore, I give my consent to the immediate assessment and collection of any increase in tax and penalties, and accept any decrease in tax and penalties shown above, plus additional interest as provided by law. It is understood that this report is subject to acceptance by the Area Director, Area Manager, Specialty Tax Program Chief, or Director of Field Operations.

PLEASE NOTE: If a joint return was filed, BOTH taxpayers must sign

Signature of Taxpayer	Date:	Signature of Taxpayer	Date:
By:		Title:	Date:

TAXPAYER

Form 4549 (Rev. May 2008)	Department of the Treasury-Internal Revenue Service Income Tax Examination Changes	Page <u>1</u> of <u>2</u> <div style="text-align: center; color: red; font-weight: bold; font-size: 1.2em;">COPY</div>
Name and Address of Taxpayer DB KARRON 348 EAST FULTON STREET LONG BEACH NY 11561	Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em; margin: 5px 0;"></div>	Return Form No. <div style="text-align: center; color: red; font-weight: bold; font-size: 1.2em;">1040</div>
	Person with whom examination changes were discussed.	Name and Title: DB KARRON

	Period End 12/31/2008	Period End	Period End
1. Adjustments to Income			
a. Unemployment Compensation	12,555.00		
b. Wages, Salaries and Tips, etc.	22,447.00		
c. Other Income	120,000.00		
d. Itemized Deductions	(21,839.00)		
e. Exemptions	(3,500.00)		
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
o.			
p.			
2. Total Adjustments	129,663.00		
3. Taxable Income Per Return or as Previously Adjusted	0.00		
4. Corrected Taxable Income	129,663.00		
Tax Method	TAX RATE		
Filing Status	Single		
5. Tax	30,284.00		
6. Additional Taxes / Alternative Minimum Tax			
7. Corrected Tax Liability	30,284.00		
8. Less a.			
Credits b.			
c.			
d.			
9. Balance (Line 7 less Lines 8a through 8d)	30,284.00		
10. Plus a.			
Other b.			
Taxes c.			
d.			
11. Total Corrected Tax Liability (Line 9 plus Lines 10a through 10d)	30,284.00		
12. Total Tax Shown on Return or as Previously Adjusted	0.00		
13. Adjustments to: a.			
b.			
c.			
14. Deficiency-Increase in Tax or (Overassessment-Decrease in Tax) (Line 11 less Line 12 adjusted by Lines 13a through 13c)	30,284.00		
15. Adjustments to Prepayment Credits - Increase (Decrease) See Attached	1,667.00		
16. Balance Due or (Overpayment) - (Line 14 adjusted by Line 15) (Excluding interest and penalties)	28,617.00		

The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest income) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Department of the Treasury-Internal Revenue Service
Income Tax Examination ChangesName of Taxpayer
DB KARRONTaxpayer Identification Number
[REDACTED]Return Form No.:
1040

17. Penalties/ Code Sections	Period End 12/31/2008	Period End	Period End
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b. Delq-IRC 6651 (a) (1)	6,438.83		
c. Accuracy-IRC 6662	5,723.40		
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18. Total Penalties	19,316.48		
Underpayment attributable to negligence: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to fraud: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to Tax Motivated Transactions (TMT). The interest will accrue and be assessed at 120% of the underpayment rate in accordance with IRC §6621(c)	0.00		
19. Summary of Taxes, Penalties and Interest:			
a. Balance due or (Overpayment) Taxes - (Line 16, Page 1)	28,617.00		
b. Penalties (Line 18) - computed to 01/22/2014	19,316.48		
c. Interest (IRC § 6601) - computed to 02/21/2014	7,449.06		
d. TMT Interest - computed to 02/21/2014 (on TMT underpayment)	0.00		
e. Amount due or (refund) - (sum of Lines a, b, c and d)	55,382.54		

Other Information:

OTHER INCOME REPRESENTS MISAPPROPRIATED FUNDS OF RENT & OTHER COSTS BASED COURT STATEMENTS MADE AT SENTENCING. TAXPAYER HAS BEEN MAKING RESTUTION PAYEMENTS ON THIS AMOUNT.

THE OTHER ADJUSTMENTS REPRESENT DELIQUENT RETURN PROCEDURES THAT WERE FOLLOWED.

Examiner's Signature:	Employee ID:	Office:	Date:
HAL S. SHERRY	11-03033	BETHPAGE, NY. 11714	01/22/2014

Consent to Assessment and Collection- I do not wish to exercise my appeal rights with the Internal Revenue Service or to contest in the United States Tax Court the findings in this report. Therefore, I give my consent to the immediate assessment and collection of any increase in tax and penalties, and accept any decrease in tax and penalties shown above, plus additional interest as provided by law. It is understood that this report is subject to acceptance by the Area Director, Area Manager, Specialty Tax Program Chief, or Director of Field Operations.

PLEASE NOTE: If a joint return was filed, BOTH taxpayers must sign

Signature of Taxpayer	Date:	Signature of Taxpayer	Date:
By:		Title:	Date:

Name of Taxpayer: DB KARRON
Identification Number: [REDACTED]

Total

01/22/2014
14.40.00

2008 - Form 6251 - Alternative Minimum Tax Computation

1. If filing Schedule A, enter taxable income before exemptions; otherwise, enter adjusted gross income	133,163.00
2. Total adjustment and preferences (excluding any NOL deduction)	11,406.00
3. Net operating loss deduction	0.00
4. Alternative tax net operating loss deduction	0.00
5. Alternative minimum taxable income (combine lines 1 thru 4)	144,569.00
6. Exemption amount	38,183.00
7. Subtract line 6 from line 5 (if zero or less, enter zero)	106,386.00
8. If capital gains are reported, see line 19 from continuation page (If FEIT worksheet for AMT is used, enter amount from line 6 of that worksheet instead) All others: If line 7 is \$175,000 or less (\$87,500 if MFS) multiply line 7 by 26%. Otherwise, multiply line 7 by 28% and subtract \$3,500 (\$1,750 if MFS) from the result	27,660.00
9. Alternative minimum tax foreign tax credit	0.00
10. Tentative minimum tax (line 8 less line 9)	27,660.00
11. Regular tax before credits (if Schedule J was used to figure tax, use the refigured amounts for lines 44 and 47 of Form 1040 without using Schedule J)	30,284.00
12. Alternative minimum tax	0.00

Exemption Worksheet (line 6 above)

A. Exemption amount based on filing status	46,200.00
B. Alternative minimum taxable income	144,569.00
C. Enter \$112,500 (\$150,000 if married filing jointly or qualifying widow(er), \$75,000 if married filing separately)	112,500.00
D. Subtract line C from line B	32,069.00
E. Multiply line D by 25%	8,017.00
F. Subtract line E from line A (if zero or less, enter zero)	38,183.00

Name of Taxpayer: DB KARRON

01/22/2014

Identification Number: [REDACTED]

Total

14.40.00

2008 - Form 6251 - Continuation, Tax Computation Using Maximum Capital Gain Rates

1. Amount from Form 6251 report, line 7 (If FEIT worksheet for AMT was used, enter amount from line 3 of that worksheet instead)	106,386.00
2. Amount from line 6 Qualified Dividends and Capital Gain Tax Worksheet or line 13 Schedule D Tax Worksheet (refigured for AMT)	0.00
3. Amount from Schedule D line 19 (refigured for AMT)	0.00
4. Amount from line 2 if no Schedule D worksheet; otherwise, the smaller of the sum of line 2 and line 3 or Schedule D worksheet line 10 (refigured for AMT)	0.00
5. Smaller of line 1 or line 4	0.00
6. Subtract line 5 from line 1	106,386.00
7. If line 6 is \$175,000 or less (\$87,500 if MFS) multiply line 6 by 26%; otherwise, multiply line 6 by 28% and subtract \$3,500 (\$1,750 if MFS) from the result	27,660.00
8. Enter: \$65,100 if married filing jointly or qualifying widow(er) \$32,550 if single or married filing separately \$43,650 if head of household	32,550.00
9. Amount from line 7 Qualified Dividends and Capital Gain Tax Worksheet or line 14 Schedule D Tax Worksheet	0.00
10. Subtract line 9 from line 8 (if zero or less, enter zero)	32,550.00
11. Smaller of line 1 or line 2	0.00
12. Smaller of line 10 or line 11	0.00
13. Subtract line 12 from line 11	0.00
14. Multiply line 13 by 15%	0.00
15. Subtract line 11 from line 5	0.00
16. Multiply line 15 by 25%	0.00
17. Total of lines 7, 14 and 16	27,660.00
18. If line 1 is \$175,000 or less (\$87,500 if MFS) multiply line 1 by 26%; otherwise, multiply line 1 by 28% and subtract \$3,500 (\$1,750 if MFS) from the result	27,660.00
19. Smaller of line 17 or line 18. Enter here and on line 8 of Form 6251 report	27,660.00

Name of Taxpayer: DB KARRON
Identification Number [REDACTED]

01/22/2014
Total 14.40.00

EXPLANATION OF THE DELINQUENCY PENALTY

Since your income tax return was not filed within the time limit prescribed by law and/or the tax was not paid, and you have not shown that such failure was due to reasonable cause, an addition to the tax is charged as shown below, in accordance with Section 6651(a)(1) and/or Section 6651(a)(2) of the Internal Revenue Code.

2008 - DELINQUENCY PENALTY

1. Delinquency penalty abated		0.00
2. Date return due	04/15/2009	
3. Date return filed	09/30/2013	
4. Failure to File penalty rate	0.225	
5. Failure to Pay penalty rate	0.250	
6. Total corrected tax liability		30,284.00
7. Allowable payments on or prior to due date of return		1,667.00
8. Net Amount Due (line 6 less line 7)		28,617.00
9. Failure to File Penalty - line 8 multiplied by line 4		6,438.83
10. Minimum penalty if over 60 days delinquent		135.00
11. Failure to File Penalty - Greater of line 9 or line 10		6,438.83
12. Previously assessed/previously agreed Failure to File Penalty		0.00
13. Net Failure to File Penalty - line 11 less line 12		6,438.83
14. Failure to Pay Penalty - line 8 multiplied by line 5		7,154.25
15. Previously assessed/previously agreed Failure to Pay Penalty		0.00
16. Net Failure to Pay Penalty - line 14 less line 15 *		7,154.25
17. Total Delinquency Penalty - Sum of line 13 and 16		13,593.08

- If an amount appears as the Failure to Pay Penalty, the amount only reflects the addition to tax under Internal Revenue Code section 6651(a)(2) through the date of this notice. The addition to tax will continue to accrue from the due date of the return at a rate of 0.5 percent each month, or fraction thereof, of nonpayment, not exceeding 25 percent.

Name Of Taxpayer: DB KARRON

01/22/2014

Identification Number: [REDACTED]

Total

14.40.00

2008 - PERSONAL EXEMPTION WORKSHEET

- | | |
|---|------------|
| 1. Multiply \$500 by the total number of displaced individuals listed in Part I of Form 8914
(Maximum amount is \$2,000; \$1,000 if married filing separately) | 0.00 |
| 2. Multiply \$3,500.00 by the total number of exemptions claimed | 3,500.00 |
| 3. Add lines 1 and 2 | 3,500.00 |
| 4. Adjusted gross income | 155,002.00 |
| 5. Limitation based on filing status
NOTE: If line 4 is not greater than line 5, STOP;
enter amount from line 3 on line 13 below | 159,950.00 |
| 6. Subtract line 5 from line 4 | 0.00 |
| 7. If line 6 is more than \$122,500 (\$61,250 if married filing separately)
multiply \$ 2,333.00 by the total number of exemptions claimed;
otherwise, skip line 8 and go to line 9 | 0.00 |
| 8. Add lines 1 and 7 and enter the amount on line 13 below;
do not complete the rest of the worksheet | 0.00 |
| 9. Divide line 6 by \$2,500 (\$1,250 if married filing separately)
(If result is not a whole number, increase to next whole number) | 0.00 |
| 10. Multiply line 9 by 2% and enter the result as a decimal rounded to at least three places | 0.00 |
| 11. Multiply line 2 by line 10 | 0.00 |
| 12. Divide line 11 by 3.0 | 0.00 |
| 13. Deduction for exemptions
(subtract line 12 from line 3; or the amount from line 5 or line 8 above) | 3,500.00 |

Accuracy-Related Penalties under IRC 6662**20 Percent Penalty -- Internal Revenue Code Section 6662(a)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement).

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A penalty issues, if any	28,617.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 40% Section 6662 penalty issues	0.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2, 3, and 4)	28,617.00
6. Applicable penalty rate	20.00%
7. Section 6662(a) accuracy-related penalty (Line 5 times line 6)	5,723.40
8. Less: Previously assessed/previously agreed Section 6662(a) penalty	0.00
9. Total section 6662(a) accuracy-related penalty (Line 7 less line 8)	5,723.40

40 Percent Penalty -- Internal Revenue Code Section 6662(h)

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Gross valuation misstatement (overstatement).

Therefore, an addition to tax is imposed as provided by Section 6662(h) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A penalty issues, if any	28,617.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 20% Section 6662 penalty issues	28,617.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which 40% Section 6662 penalty applies (Line 1 less the sum of lines 2, 3, and 4)	0.00
6. Applicable penalty rate	40.00%
7. 40% Section 6662 accuracy-related penalty (Line 5 times line 6)	0.00
8. Less: Previously assessed/previously agreed 40% Section 6662 penalty	0.00
9. Total 40% section 6662 accuracy-related penalty (Line 7 less line 8)	0.00

Name Of Taxpayer: DR KARRON
Identification Number: [REDACTED]

01/22/2014

Total

14.40.00

2008 - Adjustments Subject to Accuracy-Related Penalty - IRC 6662

ADJUSTMENTS TO WHICH THE ACCURACY RELATED PENALTY APPLIES :
PENALTY RATES
20% 40%

Other Income

X

120,000.00 IRC 6662(c)

Name of Taxpayer: DB KARRON

01/22/2014

Identification Number: [REDACTED]

Total

14,40.00

2008 - SCHEDULE A - ITEMIZED DEDUCTIONS

	PER RETURN	PER EXAM	ADJUSTMENT
1. Medical, dental and insurance premiums	0.00	0.00	0.00
2. 7.5% of adjusted gross income	0.00	11,625.00	
3. Net medical and dental expenses	0.00	0.00	0.00
4. Taxes	0.00	11,406.00	(11,406.00)
5. Home interest expense	0.00	10,433.00	(10,433.00)
6. Qualified mortgage insurance premiums	0.00	0.00	0.00
7. Investment interest	0.00	0.00	0.00
8. Other interest expense	0.00	0.00	0.00
9. Total interest expense	0.00	10,433.00	(10,433.00)
10. Contributions	0.00	0.00	0.00
11. Casualty and theft losses	0.00	0.00	0.00
12. Miscellaneous deductions	0.00	0.00	0.00
13. 2% of adjusted gross income	0.00	3,100.00	
14. Excess miscellaneous deductions	0.00	0.00	0.00
15. Other miscellaneous deductions	0.00	0.00	0.00
16. Total itemized deductions (Sum of lines 3, 4, 9, 10, 11, 14, and 15 less any applicable limitation)	0.00	21,839.00	(21,839.00)

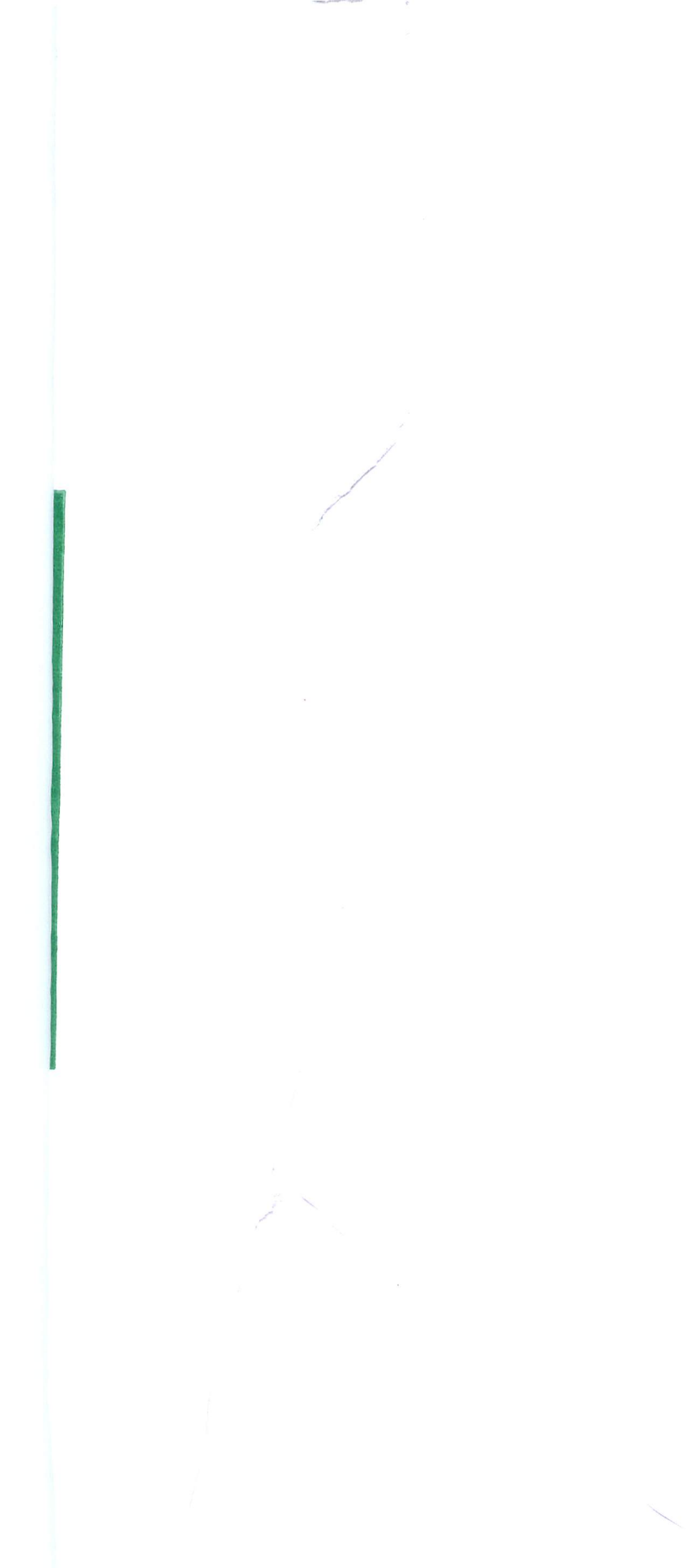
ITEMIZED DEDUCTIONS WORKSHEET - PER EXAM

A. Total of lines 3, 4, 9, 10, 11, 14, and 15	21,839.00
B. Total of lines 3, 7, 11, (plus any gambling losses included on line 15)	0.00
C. Line A less line B	21,839.00
D. Multiply the amount on line C by 80%	17,471.00
E. Adjusted gross income	155,002.00
F. Itemized deduction limitation	159,950.00
G. Line E less line F	0.00
H. Multiply the amount on line G by 3%	0.00
I. Enter the smaller of line D or line H	0.00
J. Divide line I by 1.5	0.00
K. Subtract line J from line I	0.00
L. Total itemized deductions (entered on line 16 above)	21,839.00

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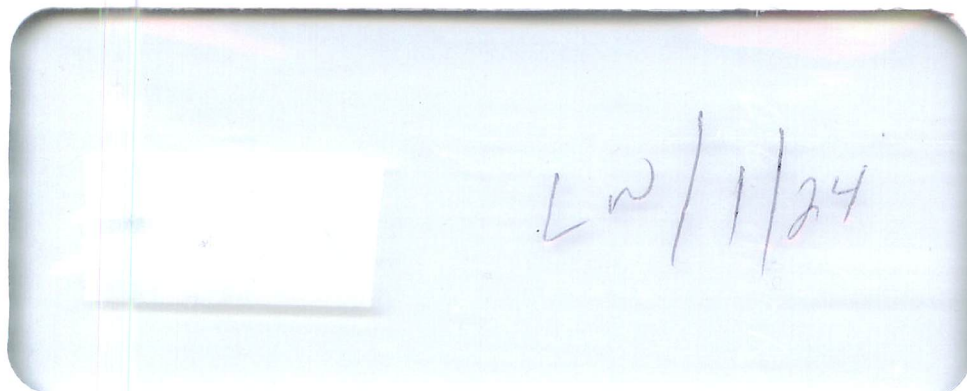


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Internal Revenue Service
Group 1403
Suite 110
999 Stewart Avenue
Bethpage, NY 11714-3632

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